

Washington State Citizens Committee on Pipeline Safety
Meeting Minutes
Location: WUTC - Olympia, WA
October 19, 2004

Present

Chuck Mosher, Chair
Shirley Olson
Leo Bowman
Katie Hansen
Duane Henderson
George Hills
Grant Jensen
Richard Kuprewicz
Carl Weimer
Pete Kmet

Absent

Ken Thomas

Public present at the meeting

Rebecca Post, Department of Ecology
Garry Scott, Lewis County Public Works
Earl Tower, Olympic Pipeline Company
Dean French, Citizen
Kyle McMillian, Chevron Pipeline Company
Alan Rathbun, Washington Utilities and Transportation Commission
Tim Sweeney, Washington Utilities and Transportation Commission
Lindsay Marquez, Washington Utilities and Transportation Commission

Agenda:

1. Welcome & adoption of August 19, 2004 Meeting Minutes
 2. Public Comment
 3. Discuss Process to Select Committee Chair
 4. Department of Ecology Rulemaking Update Presentation
 5. Discuss Reorganization of the Research & Special Programs Administration
 6. Fee Methodology Review and Regulatory Incentive Program
 7. WUTC Pipeline Safety Section Update
 8. Final Version of Transportation Research Board Report 281
 9. Items for the Next Agenda
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1. **Welcome** – Chairman Chuck Mosher welcomed everyone to the meeting of the Citizens Committee on Pipeline Safety. The August 19, 2004 minutes were approved and adopted as written.

2. **Public Comment** – Citizen Dean French spoke at the meeting to ask why a cause for the May 23rd incident on Olympic pipeline had not been announced. Alan Rathbun, with the Washington Utilities and Transportation Commission (WUTC) informed Mr. French that Olympic has submitted its report on the cause of the incident, but since the pipeline is under federal jurisdiction with the Office of Pipeline Safety (OPS), the WUTC does not have the jurisdiction in this matter to disclose that information. Once OPS has concluded its investigation, that information can be requested by contacting OPS.
3. **Discuss Process to Select Committee Chair** – Chuck Mosher stated that after four years of serving as the Chair of the Committee that he plans to step down as the chair, but continue on the Committee as a regular citizen member. The Committee discussed a process for selecting a new chair, since this process is not written into the statute¹ that created the Committee. The Committee decided to elect a chair (for a term which expires July 31st) and a vice chair that would move into the chair position at the end of the current chair's term. The Committee would then need to elect another vice chair at that time. The Committee moved to accept this process and have staff draft language for addition to the bylaws. Carl Weimer volunteered to become chair and Katie Hansen and Pete Kmet both expressed interest in the position of vice chair. Mr. Kmet then decided that Ms. Hansen should be vice chair and withdrew his nomination. The Committee voted and approved Carl Weimer as chair and Katie Hansen as the vice chair. Mr. Weimer would be the chair through July 31, 2005 at which time Ms. Hansen will become the chair beginning August 1, 2005.
4. **Department of Ecology Rulemaking Update Presentation** – Rebecca Post with the Department of Ecology Spills, Response and Preparedness Program, gave the Committee an update on DOE's amendments and consolidation of the vessel and facility oil spill contingency plan requirements. Specifically, these rules are Chapter 173-181 Washington Administrative Code (WAC), Facility Contingency Plan and Response Contractor Standards, and Chapter 317-10 WAC, Vessel Contingency Plan and Response Contractor Standard. The current rules are over ten years old and the rules update are necessary in order to build on the last ten years of successes, improvements and lessons in spill preparedness and to move current guidance into rules to comply with the Supreme Court's Hillis decision. The Committee receives periodic updates from the DOE on this rule amendment.
5. **Discuss Reorganization of the Research & Special Programs Administration** – The Committee discussed the proposed legislation to reorganize the Research and Special Programs Administration (RSPA), which currently houses the Office of Pipeline Safety (OPS). The legislation asks that RSPA be split into two new Administrations, one to handle pipeline and hazardous materials safety, and another to deal with research and technology. The U.S. House of Representatives passed H.R. 5163 on October 6th, which would move the reorganization plan forward. The bill will now go to the Senate. The Committee was in support of the proposed reorganization and decided not to send a letter at this point because they did not see a problem with the language in the proposed law.
6. **Fee Methodology Review and Regulatory Incentive Program** – Tim Sweeney, with the Washington Utilities and Transportation Commission, updated the Committee on the status of the fee methodology review (P-040865). The WUTC hired Steven Miller, with Miller and Associates, to review the current methodology, which is currently based on miles of pipeline. A workshop with the regulated companies and WUTC staff is scheduled for November 16, 2004 to review the proposals created by the consultant, Mr. Miller. The review of the fee methodology

¹ RCW 81.88.140

must be completed and the rule adopted before June of 2005 in order to assess the pipeline safety fees for the 2005-2006 fiscal year. Mr. Miller and WUTC staff are also working on formulating ideas for the regulatory incentive program. Proposal for the incentive program will be brought to the Committee for review later in the process.

7. **WUTC Pipeline Safety Update** – Alan Rathbun, WUTC Pipeline Safety Director, gave an update on the current events in the pipeline safety section.

Williams Pipeline – Amended Corrective Action Order Update:

There was nothing new to report since the last update at the August meeting. The WUTC anticipates that the company will be making a filing with the Federal Energy Regulatory Commission (FERC) this fall on their capacity replacement project. Preliminary environmental reviews are in process.

BP Olympic Update

Olympic has submitted a root cause failure analysis and final metallurgical report to OPS, WUTC and the City of Renton relative to the fire at their Renton station in May 2004. Because the WUTC is currently completing its report to OPS and cannot share the details of this report with you at this time. This facility is part of Olympic's interstate pipeline system and therefore OPS is the final decision maker.

WUTC Natural Gas Safety Rulemaking

The date of adoption hearing on the gas safety rules has been continued to February 9, 2005. Under the Administrative Procedures Act, any substantial change in the wording of a proposed rule requires another "Notice of Proposed Rule-Making" and comment period. Because of a wording change that was required, the date of the adoption hearing needs to be delayed. This is not the effective date of these proposed rules. Once adopted and filed with the State Code Reviser, the rules take effect 31 days after filing.

Land Use Related to Pipeline Corridors

During the August Committee meeting, staff briefed the Committee on a series of meetings around Washington aimed at local government planners and other land use professionals. Besides raising awareness, this was an informational session to share and discuss concerns about land development as it relates to transmission pipelines.

Following the sessions, several of the presenters got together to discuss "next steps". What they found were two main classes of threats: 1) threats to the safe operation of the pipeline, and 2) threats to the public safety and environment. Given the desire to take steps that can have the most immediate impact, the group decided it best to concentrate immediate efforts on enhancing the safe operation of the pipeline. This is not to dismiss the other threat, but the threat to public safety and the environment is very complex and may require considerable time and effort to reach resolution.

Bellevue Explosion and House Fire

On Thursday September 2nd, a natural gas odor was called into Puget Sound Energy's (PSE) dispatch. PSE personnel went to the Spirit Ridge neighborhood in Bellevue near Lake Sammamish to investigate and conduct leak surveys to find the source of the odor/leak. An hour after PSE personnel arrived to the neighborhood, a house exploded and the occupant, a 68-year old woman, managed to exit the burning house. Frances Schmidt was severely burned and was

taken to Harbor View Medical Center. Ms. Schmidt died on Sunday, September 26th, as a result of her injuries.

The contributing factors being investigated include the possibility that the pipe had earlier been damaged or nicked, allowing for corrosion to occur; that ground conditions were conducive to corrosion; and, that the “cathodic protection” system PSE uses for this area of Bellevue to prevent corrosion on its steel gas lines was not configured correctly. More will be known after metallurgical tests are conducted on the damaged pipe.

The Commission entered an Emergency Order putting forth an “action plan” agreed to by both PSE and Pipeline Safety staff. This action plan, containing 10 items is aimed at finding the cause of the failure, assessing the condition of the pipeline system served by the rectifier, providing additional safety assurances and providing on-going communication to citizens and local officials. Under the Action Plan, PSE has conducted and will continue to conduct monthly leak surveys on every main and service line in this area. All leaks found have been repaired.

Meanwhile, an outside consultant employed by PSE is conducting a review of the construction and maintenance practices in this area and is developing a testing procedure to determine the condition of the steel pipe’s protective coating. In addition to the ongoing surveillance of its gas system in southeast Bellevue, PSE has implemented a communications plan, including two public meetings, to inform Bellevue customers about the investigation and efforts being taken to ensure safety.

The Commission has also hired a consultant to assist staff in its investigation and review of the data provided by others.

8. **Final Version of Transportation Research Board Report 281** – The publication titled “[Transmission Pipelines and Land Use – A Risk-Informed Approach](#)” was given to the Committee as an informational item. The report was created by the Transportation Research Board at the request of the RSPA to “...examine evidence of the risks to the public of increased development and population in proximity to pipelines...”, especially large diameter, higher-pressure transmission pipelines. Committee member Rick Kuprewicz noted that Jim Doherty did an analysis of the draft report, which is available on the MRSC website (www.mrsc.org)
9. **Agenda Items for Next Meeting** –Lindsay Marquez with the WUTC reminded the Committee that Kim Karmil with Farwest Corrosion planned to attend the next meeting on December 7th to present information on the corrosion technology her company provides. The Committee also wanted to discuss scheduling pipeline facility site visits for 2005. The meeting on December 7th will be held in Olympia at the WUTC.